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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

OCT - 4 2012

GARY PIERCE, Chairman
 BOB STUMP
 SANDRA D. KENNEDY
 PAUL NEWMAN
 BRENDA BURNS

DOCKETED BY

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IN THE MATTER OF THE APPLICATION
 OF ORANGE GROVE WATER COMPANY,
 INC. FOR APPROVAL OF FINANCING.

DOCKET NO. W-02237A-11-0084

IN THE MATTER OF THE APPLICATION
 OF ORANGE GROVE WATER COMPANY,
 INC. FOR A RATE INCREASE.

DOCKET NO. W-02237A-11-0180

DECISION NO. 73524

ORDER EXTENDING TIME
DEADLINE ORDERED BY
DECISION NO. 72734

Open Meeting
 September 19 and 20, 2012
 Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the
 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On January 6, 2012, the Commission issued Decision No. 72734, which authorized
 new rates for Orange Grove Water Company, Inc. ("Orange Grove" or "Company") and granted
 authority for Water Infrastructure and Financing Authority ("WIFA") financing.

2. Decision No. 71110 (June 5, 2009) ordered the Company to install a minimum of
 60,000 gallons of storage capacity. However, in this docket, the Commission's Utilities Division
 ("Staff") recommended that the Company be given the option of installing an on-site emergency
 generator with sufficient capacity to run the Company's 300 gallons per minute ("GPM") backup
 well in lieu of adding the ordered storage capacity. Decision No. 72734 adopted Staff's

1 recommendation, and waived the requirements of Decision No. 71110 relating to installation of new
 2 storage capacity, conditioned upon Orange Grove filing documentation within 30 days (by May 7,
 3 2012), demonstrating completion of the on-site emergency generator and associated improvements.

4 3. On May 7, 2012, Orange Grove filed an Application to Amend Compliance Deadline.
 5 Therein, Orange Grove stated that the WIFA loan proceeds are required to finance the installation of
 6 the emergency generator, that it had received the draft WIFA loan documents on April 18, 2012, and
 7 that WIFA the loan was tentatively scheduled to close on May 25, 2012. The Company requested an
 8 additional 120 days to comply with the May 7, 2012, compliance deadline in Decision No. 72734.

9 4. On July 2, 2012, Orange Grove filed a Notice of Compliance Re Surcharge Report.

10 5. On July 31, 2012, Orange Grove filed a Notice of Compliance Re Loan Execution, and
 11 an Application for Implementation of Financing Surcharge.

12 6. On August 14, 2012, Staff filed a Memorandum on Orange Grove's May 7, 2012,
 13 compliance deadline extension request. Staff states that upon contacting Orange Grove, it learned
 14 that the WIFA loan closing had been moved back another month. Because the on-site emergency
 15 generator project must be completed prior to the Company's compliance filing, Staff recommends
 16 that an Order be issued granting Orange Grove a 180 day extension of time, to November 1, 2012, to
 17 comply with the filing requirement.

18 7. Staff's recommendation is reasonable and should be adopted.

19 CONCLUSIONS OF LAW

20 1. Orange Grove is a public service corporation within the meaning of Article XV of the
 21 Arizona Constitution and A.R.S. §§ 40-250, 40-251, 40-301, 40-302, and 40-303.

22 2. The Commission has jurisdiction over Orange Grove and the subject matter of this
 23 proceeding.

24 3. It is reasonable and in the public interest to grant Orange Grove's request for a time
 25 extension to comply with Decision No. 72734.

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ORDER

IT IS THEREFORE ORDERED that the compliance deadline set by Decision No. 72734 for Orange Grove Water Company, Inc. to file documentation demonstrating completion of the on-site emergency generator and associated improvements as discussed in Decision No. 72734, is hereby extended to November 1, 2012.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 4th day of October, 2012.

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

1 SERVICE LIST FOR: ORANGE GROVE WATER COMPANY, INC.

2 DOCKET NOS.: W-02237A-11-0084 AND W-02237A-11-0180

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